



## MEETING MINUTES

Committee of the Whole

May 5, 2026

**Committee Members:** Mayor Koomar (Chair), Ms. Pacetti (Vice Chair), Ms. Elder, Mayor Gallo, Mr. Love, Mr. Sleasman, Mayor Weiss, Ms. Whigham

**Not Present:** Ms. McPherson

**Staff/Other:** Dave Basso, Shawn Becker, Nick Biggar, India Birdsong Terry, Janet Burney, Louis Catalusci, Floun'say Caver, Brent Charnigo, Nick Davidson, Shashelia Degraffinried, Dan Dietrich, Drew Dimmick, Traci Ext, George Fields, Mary Flannery, Bob Fleig, Joel Freilich, Catherine Galla, Lawrence Jupina, Dan Kerg, Carl Kirkland, Andrew Korman, Jonathan Laule, Jeffrey Macko, Glenville Manning, Matt Marotta, Jennifer Martin, Kathleen McGervey, Sheila Miller, Josh Miranda, Charles Morgan, Allen Polly, Mike Schipper, Spencer Smith, Kay Sutula, Wendy Talley, John Togher, Eric Vukmanic, Carolyn Young

**Public:** 7

### I. Roll Call

Mayor Koomar called the meeting to order at 9:01 a.m. with roll call. A quorum was present.

### II. Approval of Minutes – April 7, 2026

Mr. Sleasman moved, and Mr. Love seconded to approve the minutes; the motion carried.

III. Executive Session -- To review the negotiations or bargaining sessions with public employees concerning their compensation or other terms and conditions of their employment.

Mayor Koomar moved, and Mayor Gallo seconded to go into Executive Session; the motion carried. The Committee was in Executive Session from 9:03 a.m. to 9:24 a.m.

Mayor Koomar moved, and Ms. Pacetti seconded to resume the meeting. The motion carried.

### IV. FY 2026 Bond Issuance

Carolyn Young, Director, Grants Management & Treasury, presented a proposal for a \$35 million bond issuance over 20 years, payable from sales and use tax revenues. The new debt will be restricted to pay the local portion of capital project expenditures. The requested issuance will enable the Authority to optimize and manage liquidity in both operating and the capital fund, allowing \$14 million to remain in the General Fund. The request to amend the financial policy was presented to the Board on March 3, 2026, requesting to reduce the transfers of sales tax from 10% to 5%.

This new debt aims to fund capital projects such as paratransit lift replacements, bus upgrades, facility improvements, and the Metro Health Bus Rapid Transit line.

The financial strategy is designed to optimize liquidity and maintain a strong credit rating, with debt service payments scheduled to decrease over time. The bond issuance process includes rating presentations, bond sales, and closing events, with oversight from various financial advisors and legal counsel.

As of December 31, 2025, the total principal outstanding debt totaled \$13.9 million. At the end of 2026, the Authority is scheduled to pay off 49% of the outstanding debt, reducing debt from \$13.9 million to \$7 million. In 2027, the debt outstanding will be \$4.2 million. The outstanding debt balance will be paid off as of December 31, 2030.

In 2026, the scheduled debt service will be \$8.4 million. In the first year, the new debt issuance, the authority will pay interest only estimated at \$840,000. In 2028 through 2030, the debt service level stabilizes at \$4.3 million. After 2030, the proposed annual debt service will be capped at \$2.8 million. These levels will remain below the current debt levels for a 20-year period.

Ms. Young advised that as of late 2025, GCRTA has a AAA credit rating and stable outlook among other transit agencies in the country. GCRTA is also rated more highly than other public agencies in Northeast Ohio.

The resolution authorizing the debt will be presented to the Board on May 19. The resolution will authorize GCRTA to issue debt for capital projects, authorize the amendment to the trust agreement to include new debt issuance and pledge sales and use tax revenues for indebtedness.

Staff requests that the Committee recommend the Board to approve this matter.

Mayor Weiss referenced having the flexibility to call the debt short of the 20-year term and questioned what staff has seen in the marketplace. Bethany Pugh explained that the proposed new issuance would have at least a 10-year call provision. For shorter calls of eight to 10 years, staff can survey the market and help GCRTA make an informed decision.

Mayor Weiss questioned the ability to consider an early call feature and expressed interest in seeing how it would impact the debt. Ms. Pugh explained that if there are specific target timeframes earlier than ten years, she can help analyze the cost benefit analysis.

Mayor Weiss additionally asked whether GCRTA's current debt may be called. Ms. Young explained that GCRTA could call its current debt, but it would not be feasible because it would require a \$13.9 million payment to save \$800,000 on debt that will be paid off by 2030.

Mr. Sleasman inquired what rates were used for the projected payments in 2026. Ms. Pugh advised that the market standard is to sell debt at 5% coupons. Assuming a \$35 million sale and 5% coupon, \$2.8 million is the debt service generated. In addition to the principle, bond premium is a price above 100%, which will help pay for debt service.

Ms. Pacetti moved, and Mayor Gallo seconded to advance the item to the Board of Trustees. The motion carried with abstentions by Ms. Elder and Ms. Whigham.

#### V. Code Book Update

Anna Hlavacs, Senior Counsel – Contracts, Real Estate & Administrative Law, stated that the codified policies and procedures of the Greater Cleveland Regional Transit Authority were codified in 1989 and is commonly called the "Code Book." The policies are reviewed and updated to bring them in line with current operations at least every three years.

A new chapter is proposed -- Chapter 852: Protection of Transit System Assets, Employees and Passengers -- for the protection of transit system assets, employees and passengers. This policy is intended to affirm the Authority's commitment to fostering a safe environment within the transit system. It grants the General Manager & Chief Executive Officer the authority to enact or update procedures that define and address inappropriate or illegal behavior throughout the transit system.

Public perception of safety directly affects ridership and surveys over many years have consistently prioritized safety and security. This policy addresses passenger and employee safety and improves public safety confidence, which contributes to the fiscal health and overall viability of the transit system.

Mayor Koomar moved, and Ms. Elder seconded to advance the item to the Board of Trustees. The motion carried.

#### VI. Planned Service Adjustments

Joel Freilich, Director, Service Management, stated that the Revenue Stabilization Fund balance is declining and a significant cost reduction solution is needed. This process identified a large set of cost reduction measures including a 12% service reduction. Staff was dissatisfied with that solution because of the magnitude of the service reduction. Instead, a larger set of internal cost reduction measures were taken resulting in the revised package having a 3% service reduction.

Staff proposed 3% service reduction and presented it to the Committee of the Whole and in public hearings on April 13, 15 and 16. The public comment period remained open through April 27.

Mr. Freilich explained that staff will advise the General Manager, CEO by May 7 regarding the final service adjustments so preparations and communications may begin to ensure that riders understand what will change on August 16.

The public hearings had more than 100 participants over three meetings. The most common feedback was to add rather than reduce service and solve financial problems through a ballot initiative. Numerous comments were received regarding preserving the B-line trolley.

Concluding his report, Mr. Freilich advised that staff's recommendation to the General Manager & CEO will be to implement the proposals that save funds, to consider new funding options that could help change the direction to growing instead of shrinking, and following an operator's suggestion, modify the 19B to better serve Tri-C and Fargo.

Mr. Love inquired regarding the average daily ridership. Mr. Freilich stated that the trolley runs every 15 minutes, which is the same frequency as regular routes. The average ridership is fewer than five people per trip.

Mayor Koomar questioned how individuals with mobility needs would be affected. Mr. Freilich stated that the Authority would save \$423,000 per year by not running the B-line trolley and the network does not diminish in value significantly. Nearly everyone who boards the B-line trolley could utilize a parallel bus route. He further advised that staff could follow up with a memo to the Board on that.

Ms. Elder inquired what community partners are saying regarding what support could look like. CEO Terry explained that staff has been in conversations with local stakeholders in the downtown area. Ridership has decreased over time since COVID and there has not been a rally around paying for the trolley. GCRTA has borne the financial brunt for over a decade and are open to rerouting it if stakeholders would like to see it retained. CEO Terry further advised that charging a fare on the B-line trolley would not mitigate the cost.

Mr. Freilich stated that if the B-line ceases operation on August 16 the vehicles will remain in operation on other routes and the route can be restored if funding is obtained.

Ms. Pacetti thanked staff and public for attending the public hearings and engaging the matter respectfully. She encouraged continued dialogue.

## VII. Adjournment

There being no further business to bring before the Committee, Mayor Koomar moved to adjourn the meeting and seconded by Mayor Gallo. The meeting was adjourned at 10:15 a.m.

  
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Rajan D. Gautam  
Secretary/Treasurer

  
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Brent Charnigo  
Board Administrator